

STATE OF WASHINGTON  
GAMBLING COMMISSION

In the Matter of the Revocation of the  
Certification to Conduct Gambling Activities of:

Julio C. Alberto  
Federal Way, Washington,  
Class III Employee.

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) No. CR 2011-00679  
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**NOTICE OF ADMINISTRATIVE  
CHARGES AND OPPORTUNITY FOR  
AN ADJUDICATIVE PROCEEDING**

I.

The Washington State Gambling Commission issued Julio C. Alberto certification<sup>1</sup> number 69-07551, authorizing Class III Employee activity, formerly with the Muckleshoot Tribe.

This certification expires on November 20, 2011, and was issued subject to the certified employee's compliance with state gambling laws and regulations.

II.

Rick Day, Director of the Washington State Gambling Commission, charges the certified employee with the following violations of the Muckleshoot Tribal/State Compact, Washington State Gambling Act, 9.46 RCW, and WAC Title 230:

1) In May 2011, Commission staff received a copy of an Incident Report from the Muckleshoot Tribal Gaming Agency (MTGA). The report documented the MTGA's investigation into Julio C. Alberto, Class III Employee and Floor Supervisor at the Muckleshoot Casino, falsely rating multiple people on the Player Tracking System.<sup>2</sup>

2) Based on observations of surveillance staff and actions recorded on surveillance video, the MTGA determined that Mr. Alberto, while working as a Floor Supervisor, rated people he knew at large betting amounts on gaming tables they were not gambling at. Surveillance staff also observed Mr. Alberto rating the people he knew while other employees were logged into the Player Tracking System. This made it appear that another employee was the one issuing the additional points.

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<sup>1</sup> Class III Certification is issued to employees working at tribal Casinos. The certification authorizes similar activities as the Card Room Employee (CRE) license issued to individuals working at commercial house-banked card rooms. By submitting a transfer form and fees, holders of a Class III Certification may convert their certification to a CRE license.

<sup>2</sup> The Player Tracking System is used for members of the "Player's Club" to track the player's betting trends. The player accumulates points based on the dollar amount of each bet and the amount of time they spend on a particular game. The Floor Supervisor rates the players in the system. The members of the "Player's Club" may then use the accumulated points for rewards such as food comps, items from the casino gift shop, or money back (comp checks) on a percentage of the points total.

3) As a result, those people acquired points they did not earn and were able to collect rewards (free meals, gifts, or comp checks) that they should not have received. Under RCW 9.46.190, the Class III Employee's actions while working as a Floor Supervisor defrauded the Muckleshoot Tribe, his employer at the time.

4) When questioned by the MTGA, Mr. Alberto admitted to rating people he knew in the Player Tracking System when they weren't actually playing by "boosting their accounts, as well as by backing them up and showing high buy ins and high bets per hand." He also admitted to falsely rating those people while other employees were logged into the system "because people don't log out like they are supposed to and it was a mistake."

5) On April 18, 2011, the Muckleshoot Gaming Commission revoked Mr. Alberto's Tribal Gaming License.

6) Based on his actions, Mr. Alberto poses a threat to the effective regulation of gaming and enhances the chance of unfair illegal practices, and has failed to establish by clear and convincing evidence the necessary qualifications for certification under RCW 9.46.153(1).

7) Therefore, under Section V.C. of the Muckleshoot Tribe/State Compact, RCW 9.46.075(1) and (8), and WAC 230-03-085(1) and (8), grounds exist to revoke Julio C. Alberto's certification.

#### **Section V.C. of the Muckleshoot Tribe/State Compact**

The State Gaming Agency<sup>3</sup> may revoke, suspend or deny a State certification under the provisions of RCW 9.46.075, and rules promulgated there under, or for any reason or reasons it deems to be in the public interest. In addition, these reasons shall include, but shall not be limited to when a holder of certification:

(The following subsection applies.)

(1) Is determined to be a person whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the effective regulation of gaming or create or enhance the chances of unfair or illegal practices, methods and activities in the conduct of the gaming activities permitted pursuant to this Compact; or the person has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by any provision of a Tribal-State Compact.

#### **RCW 9.46.075 Denial, suspension, or revocation of license, application, or permit**

The Commission may deny an application, or suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include, but not be limited to, cases wherein the applicant or licensee, or any person with any interest therein:

(The following subsections apply.)

(1) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the Commission pursuant thereto, or when a violation of any provision of chapter 9.46 RCW, or any Commission rule, has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control.

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<sup>3</sup> Washington State Gambling Commission, as referred to in the Muckleshoot Tribal/State Compact, Section II (U).

(8) Fails to prove, by clear and convincing evidence, that he, she or it is qualified in accordance with the provisions of this chapter.

**WAC 230-03-085 Denying, suspending, or revoking an application, license or permit**

We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization: (The following subsections apply.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

(8) Poses a threat to the effective regulation of gambling, or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gambling activities, as demonstrated by: (a) Prior activities; or (b) Criminal record; or (c) Reputation; or (d) Habits; or (e) Associations.

**RCW 9.46.190 Violations relating to fraud or deceit**

Any person or association or organization operating any gambling activity who or which, directly or indirectly, shall in the course of such operation:

(The following subsection applies.)

(3) Engage in any act, practice or course of operation as would operate as a fraud or deceit upon any person.

Shall be guilty of a gross misdemeanor subject to the penalty set forth in RCW 9A.02.021.

**RCW 9.46.153(1) Applicants, licensees-Responsibilities, and duties-Waiver of liability-Investigation statement as privileged.**

It shall be the affirmative responsibility of each applicant and licensee to establish by clear and convincing evidence the necessary qualifications for licensure of each person required to be qualified under this chapter, as well as the qualifications of the facility in which the licensed activity will be conducted.

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III.

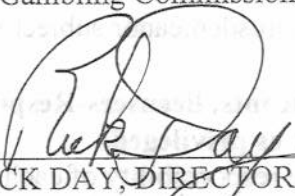
Jurisdiction of this proceeding is based on Muckleshoot Tribal/State Compact, 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and WAC Title 230.

The Class III Employee will have the opportunity to have a hearing on the alleged violations. In order to have a hearing or discuss settlement options, the enclosed request for hearing must be completed and returned to the Gambling Commission within 23 days from the date of the mailing of this notice.


Based on RCW 34.05.440, failure to return a request for hearing will result in the entry of a default order REVOKING your certification.

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF THURSTON )

Rick Day, being duly sworn on oath, says: That he has read this Notice of Administrative Charges and Opportunity for An Adjudicative Proceeding, knows the contents of it, believes it to be true, that he is the Director of the Washington State Gambling Commission, and in that capacity has executed said Notice.

  
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RICK DAY, DIRECTOR

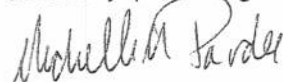
SUBSCRIBED AND SWORN TO before me  
this 4<sup>th</sup> day of August, 2011.

  
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NOTARY PUBLIC in and for the State of  
Washington residing at LACEY  
My Commission expires on 6/16/2013

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF THURSTON )

I hereby certify that I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy thereof, properly addressed with postage prepaid, by regular and certified mail to each party to the proceeding or his or her attorney or authorized agent.

Dated at Olympia, Washington this 4<sup>th</sup> day of August, 2011

  
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Communications and Legal Department  
Washington State Gambling Commission

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